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February 8, 2001

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VIA HAND DELIVERY

Magalie R. Salas, Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Re: **Notice of *Ex Parte* Presentation by the
Association for Local Telecommunications Services
CC Docket Nos. 96-262, 97-146; CPD No. 01-02**

Dear Ms. Salas:

Pursuant to Section 1.1206(b)(1) of the Commission's Rules, the Association for Local Telecommunications Service ("ALTS"), by its attorneys, submits this notice of an oral *ex parte* presented and written *ex parte* materials provided¹ in the above-captioned dockets on February 7, 2001. The *ex parte* presentation was made during a meeting with Dorothy Atwood, Jane Jackson, Jeff Dygert, Tamara Preiss, Glenn Reynolds and Jack Zinman. The presentation was made by Jonathan Askin and Tiki Gaugler of ALTS, and Jonathan Canis and Ross Buntrock of Kelley Drye & Warren, LLP.

¹ Portions of the written materials presented by ALTS contain confidential and/or proprietary information and are redacted for public inspection.

Magalie R. Salas
February 8, 2001
Page 2

During the presentation ALTS urged the Commission to address its concerns regarding CLEC access charge levels by adopting the Guaranteed Reduced Exchange Access Tariffs ("GREAT") Proposal, submitted by ALTS on January 11, 2001 in comments in CC Dockets 96-262 and 97-146. Adoption of the GREAT proposal would ensure that CLEC access charge levels are reasonable, while simultaneously abating the self-help and harassing litigation undertaken by large carriers against CLECs. In addition, ALTS noted that adoption of the GREAT Proposal will ensure that all carriers retain the ability to provide service efficiently and economically. Pursuant to Sections 1.1206(b)(1), an original and two copies of this *ex parte* notification is provided for inclusion in the public record of the above-referenced proceedings. Please direct any questions regarding this matter to the undersigned.

Respectfully submitted,



Ross A. Buntrock

cc: Dorothy Atwood
Jane Jackson
Jeff Dygert
Tamara Preiss
Glenn Reynolds
Jack Zinman
International Transcription Service

THE ALTS “GREAT”
PROPOSAL:
A PLENARY RESOLUTION OF RATE
AND INTERCONNECTION ISSUES

Jonathan Askin & Tiki Gaugler

ALTS 202-969-2587

Jon Canis & Ross Buntrock

Kelley Drye & Warren 202-955-9600

AN ANSWER TO MORE THAN ACCESS CHARGES

- IXC/CLEC DISPUTES OVER ACCESS CHARGE LEVELS HAVE PLAYED OUT FOR YEARS IN SEVERAL FORA
 - FCC ENFORCEMENT BUREAU
 - “ROCKET DOCKET”, FORMAL COMPLAINTS
 - FCC RULEMAKING PROCEEDINGS
 - CCB, COMPETITIVE PRICING DIV.
 - FEDERAL DISTRICT COURTS
 - DC, VA, NC

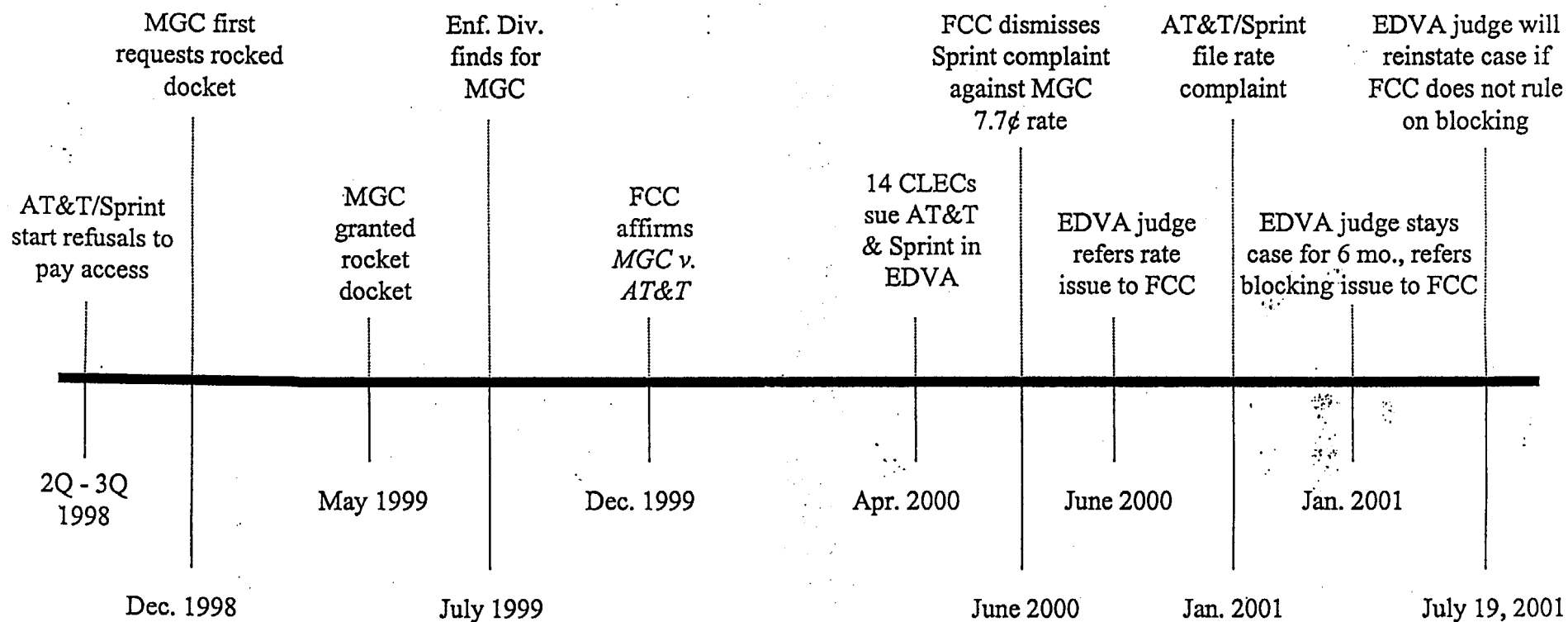
MORE THAN ACCESS CHARGES (cont'd)

- DISPUTES BETWEEN IXC_s & CLEC_s
OVER ACCESS CAN BE RESOLVED IN
2 WAYS:
 - 1 ASSURE REASONABLE RATES &
REQUIRE PAYMENT
 - 2 ALLOW CARRIERS TO BLOCK TRAFFIC
TO AVOID PAYMENT

MORE THAN ACCESS CHARGES (cont'd)

- ALL PARTIES -- INCLUDING AT&T & SPRINT -- ACKNOWLEDGE TRAFFIC BLOCKING WOULD BE A DISASTER FOR THE INDUSTRY & FOR CUSTOMERS
 - SPRINT's EXPERT WITNESS IN EDVA
 - AT&T's & SPRINT's IN-HOUSE WITNESSES

THE EQUITIES



THE EQUITIES (cont'd)

- MOST CLEC RATES HAVE BEEN IN REASONABLE RANGE
 - AT&T'S ACC AFFILIATE = 7.7¢
 - ACC PROVIDES TO AT&T FOR 0.55¢
 - SPRINT
 - SPRINT PCS = 4.5¢
 - SPRINT/UNITED = up to 5.5¢*
 - NECA = 3.25 ¢ - 5.4 ¢
 - INDEPENDENT ILECS = up to 14¢

* Includes PICC expressed as per-MOU charge

THE EQUITIES (cont'd)

- CALLS SETS RATES FOR ILEC ACCESS IN SOME STATES AT LEVELS LOWER THAN UNEs
- CLECs' COSTS ARE DEMONSTRABLY HIGHER THAN TIER 1 ILECs
 - SWITCH FILL FACTORS
 - CUSTOMER DISPERSION
 - INCREASED USE OF TRANSPORT

THE GREAT PROPOSAL

- REDUCES AVERAGE CLEC ACCESS CHARGES BY 50-60%
- REDUCES HIGHEST CLEC ACCESS CHARGES BY 70-80%
- CONTINUING REDUCTIONS IN FUTURE
- FCC MAY REVISIT IN 3 YEARS
 - HOPEFULLY, IN CONTEXT OF PLENARY REVIEW OF INTERCARRIER COMPENSATION

THE GREAT PROPOSAL

- PUTS AN END TO 3 YEARS OF LITIGATION
- AVOIDS TRAFFIC BLOCKING WARS
- ENORMOUS SAVINGS OF FCC & INDUSTRY RESOURCES
- MAINTAINS INTEGRITY OF YEARS OF PRECEDENT:
 - SELF-HELP CASES, 208 PROCESS
 - *MGC v. AT&T*

ATTACHMENTS

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